

Christopher Canter

From: Michael Shuler [mike@omnilec.com]
Sent: Friday, January 19, 2007 12:34 PM
To: jsm@thlglaw.com
Subject: RE: Order Suspension

We previously made an \$8K payment (not \$9K as previously thought) as a good faith payment while Steve was out with a family emergency in Oct. 2006. The average bill is \$9K before credits. We just paid Gallatin \$8Kx3 for the 3 invoices that were outstanding with cashiers checks (so they can't play the game of waiting for checks to clear). Steve never called me from the email I sent earlier. I would think this would be sufficient for now until they actually get me the detail on the credits. They claim that we owe ~\$31K from a verbal I got over the phone so we are about \$7K short of what they are requesting. Can you get ordering turned back on for me? Also, they froze number porting too which has no cost associated with it and I thought they could not legally do...

Michael Shuler, C.E.O.
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From: Jonathan S. Marshlian [mailto:jsm@thlglaw.com]
Sent: Friday, January 19, 2007 7:57 AM
To: 'Michael Shuler'
Subject: RE: Order Suspension

Make a good faith payment, but if you have no confidence that the entire amount claimed is actually owed, then don't pay it all.

Make partial payment, but do so in conjunction with telling Stephen that you are doing so in expectation that you'll get itemized and auditable invoices (per terms of ICA).

Please call Stephen immediately to discuss. He was about to send off a letter demanding a deposit, so it's imperative to make good faith payment, work together to identify items that are legitimately in dispute, then stay current for the foreseeable future. The alternative is the deposit which is something that I believe we would all prefer avoiding.

Contact me after your discussion with Stephen.

JSM

From: Michael Shuler [mailto:mike@omnilec.com]
Sent: Thursday, January 18, 2007 11:42 PM
To: jsm@thlglaw.com
Subject: RE: Order Suspension

6/22/2007

I would like to get them paid and get all this straightened out. Every time they suspend orders it slows down my installers and the setup revenues which accounts for about 20% of my monthly income. Not to mention it makes OmniLEC look incompetent. What would you like me to do at this point? Should I just blindly pay what they are asking?

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From: Michael Shuler [mailto:mike@omnilec.com]
Sent: Thursday, January 18, 2007 10:48 AM
To: 'jsm@thglaw.com'
Subject: FW: Order Suspension

So where are we at on this? I haven't heard from anyone except that I called Julie (my tech's wife) and she said that they applied ~10K worth of credit to our account but had no itemized detail of what it was. I asked her to have Karen Lewis (her boss) prepare the itemization for us. I have not heard from Karen at this point. Do you want me to email Karen asking when she would be providing the itemization?

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From: Fred Miri [mailto:mirif@gallatinriver.com]
Sent: Tuesday, January 16, 2007 4:34 PM
To: 'Jonathan S. Marashlian'; 'Michael Shuler'; Stephen Murray
Cc: Fred Miri
Subject: RE: Order Suspension

All,

In the past thirteen months Bitwise has received thirteen notices advising them of their invoice being past due. These notices are followed up by the Business office supervisor calling Bitwise and reminding them to please come current with undisputed amounts. The last payment Gallatin received from Bitwise was in October 2006. Credits have been applied, but in any case that doesn't

relieve Bitwise of paying the undisputed amounts it owes. I have never heard of anyone succeeding in not paying the rest of a bill because a portion of it was objectionable or was in dispute. Of all the CLECs served by GRC Bitwise is the only one that has this horrible payment record. We can't remember any of its payments being on time. As much as we like doing business with all of our customers they really aren't our customers if they don't pay for the services that we provide and that they use. Perhaps the best way to insure payment is to require a security deposit per the ICA.

Best Regards,

Fred Miri

-----Original Message-----

From: Jonathan S. Marshlian [mailto:jsm@commlawgroup.com]

Sent: Tuesday, January 16, 2007 9:20 AM

To: 'Michael Shuler'; 'Stephen Murray'

Cc: 'Fred Miri'

Subject: RE: Order Suspension

Stephen -

I understand you are traveling at the moment, but I'm hopeful your people back home can address this matter with expedience in your absence.

I know that you understand GRC may not suspend BitWise's services without providing appropriate notice to my client. Since it appears GRC did not provide proper notice, it is in violation of the terms of the interconnection agreement (ICA) recently approved by the ICC.

1. 11. Default

If either Party ("Defaulting Party") fails to make a payment required by this Agreement (including, but not limited to, any payment required by Section 8.3 of undisputed amounts to the billing Party) or materially breaches any other material provision of this Agreement, and such failure or breach continues unabated, uncured and undisputed for thirty (30) days after written notice thereof from the other Party, the other Party may, by written notice to the Defaulting Party, (a) suspend the provision of any or all Services hereunder, or (b) cancel this Agreement and terminate the provision of all Services hereunder. GRC shall notify the Commission of an impending discontinuance and will assist affected customers with finding new carriers consistent with its duties under Illinois law.

I must also receive notice of any suspension pursuant to §29 of the ICA. I can confirm I did not receive my copy of any such notice of default/suspension.

Lastly, according to my client, BitWise has not been provided with an adequate itemized invoice, as required by §8.1 of the ICA. The itemized invoice would appear to be the first and necessary step in the process of ensuring GRC is compensated in a timely manner for actual services rendered in accordance with the ICA.

Please ensure the suspension is lifted and ordering promptly restored. We also would appreciate a full explanation of this matter because if there is something that BitWise needs to address, we need the foundational facts so we can do so in accordance with the terms of the ICA. If the ICA is not adhered to in the future, we will not hesitate to bring the aforementioned breaches, which have already occurred, to the attention of the ICC.

With regards,
Jonathan

Jonathan S. Marshlian

The CommLaw Group

6/22/2007

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-----Original Message-----

From: Michael Shuler [mailto:mike@omnilec.com]
Sent: Monday, January 15, 2007 4:33 PM
To: 'Stephen Murray'
Cc: 'Jonathan S. Marashlian'
Subject: Order Suspension

I have just discovered that our ordering has been suspended. No one told us, we had to call and ask why none of our orders have been processed for the past week. Stephen, I thought we had agreed that we were not going to pay Gallatin until Gallatin provides us with an official amount for each month of service along with a detail of the credits being applied? The only number I have ever received from Gallatin was from Karen Lewis which had a approximate total for 2 months. How she arrived at that number was never disclosed nor was the number accepted by us since we could not verify it. We have already expressed our willingness to pay Gallatin several times and have already paid \$9,000 previously in a good faith payment without a corrected bill and already stated that we were not going to pay any more until this was straightened out. It is not our fault that Gallatin has taken an excessive amount of time to correct their own bill and I see no reason as to why we should be penalized for it.

I am requesting that Gallatin release the ordering suspension immediately. If Gallatin would like us to pay them I would suggest sending us a proper bill along with acknowledgement and detail of the credits so that we may verify them ourselves. Within 48 hours of receipt of the proper documentation from Gallatin, BitWise will pay Gallatin all past due amounts.

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